

§ 200.171

24 CFR Ch. II (4–1–12 Edition)

2004, without being listed on the Roster.

(d) *Effect of placement on the Roster.* Placement of an inspector on the Roster only qualifies an inspector to be selected by a mortgagee to determine if the construction quality of a property is acceptable as security for an FHA-insured loan. Placement on the Roster does not guarantee that any mortgagee will select an inspector. Use of an inspector placed on the Roster also does not create or imply any warranty or endorsement concerning the inspected property by HUD to a prospective homebuyer or any other party.

§ 200.171 Placement on the Inspector Roster.

(a) *Application.* To be considered for placement on the Roster, an inspector must apply to HUD using an application (or materials) in a form prescribed by HUD.

(b) *Eligibility.* To be eligible for placement on the Roster, an inspector must demonstrate the following to HUD:

(1) A minimum of three years experience in one or more construction-related fields;

(2) Possession of an inspector's state or local license or certification, if licensing or certification is required by the state or local jurisdiction in which the inspector will operate;

(3) Certification that the applicant inspector has read and fully understands the inspection requirements, including any update to those requirements, of:

(i) HUD Handbook 4905.1 REV-1 (Requirements for Existing Housing, One to Four Family Units);

(ii) HUD Handbook 4910.1 (Minimum Property Standards for Housing);

(iii) HUD Handbook 4145.1 REV-2 (Architectural Processing and Inspections for Home Mortgage Insurance);

(iv) HUD Handbooks 4150.1 and 4150.2 (Valuation Analysis for Home Mortgage Insurance);

(v) HUD Handbook 4930.3G (Permanent Foundations Guide for Manufactured Housing);

(vi) The applicable local, state, or Council of American Building Officials (CABO) code; and

(vii) The HUD requirements at 24 CFR 200.926; and

(4) Verification that the inspector has taken and passed HUD's comprehensive examination for inspectors, after such an examination becomes available. Inspectors who are included on the Roster on the date when the requirement for the examination becomes effective have until six months following that date to pass the comprehensive exam. Failure to pass the examination by the deadline date constitutes cause for removal under § 200.172.

§ 200.172 Removal from the Inspector Roster.

(a) *Cause for removal.* HUD may remove an inspector from the Roster for any cause that HUD determines to be detrimental to HUD or its programs. Cause for removal includes, but is not limited to:

(1) Poor performance on a HUD quality control field review;

(2) Failure to comply with applicable regulations or other written instructions or standards issued by HUD;

(3) Failure to comply with applicable civil rights requirements;

(4) Being debarred, suspended, or subject to a limited denial of participation;

(5) Misrepresentation or fraudulent statements;

(6) Failure to retain standing as a state or local government licensed or certified inspector, where such a license or certificate is required;

(7) Failure to respond within a reasonable time to HUD inquiries or requests for documentation; or

(8) Being listed on HUD's Credit Alert Interactive Voice Response System (CAIVRS).

(b) *Procedure for removal.* An inspector that is debarred, suspended, or subject to a limited denial of participation will be automatically removed from the Roster. In all other cases, the following procedure for removal will be followed:

(1) HUD will give the inspector written notice of the proposed removal. The notice will state the reasons for and the duration of the proposed removal.

(2) The inspector will have 20 days after the date of the notice (or longer, if provided in the notice) to submit a